

Name: Piercey North, Inc. dba Piercey Toyota  
Address: 950 Thompson Court, Milpitas, CA 95035  
Project No.: PJA 3203  
TPF #: 06-071

AGREEMENT FOR  
WATER CONSERVATION PROGRAM AND FOR DEFERRED  
PAYMENT OF WATER & SEWER CONNECTION FEES AND  
TREATMENT PLANT FEES

This Agreement, executed this \_\_\_\_ day of March 2007, by and between the City of Milpitas, a Municipal Corporation, hereinafter called "CITY" and Piercey North, Inc. dba Piercey Toyota, herein after called "CONNECTOR" is made pursuant to Milpitas Municipal Code, Title VIII-1-7.01 Water Connection Fee; Title VIII- 7.05 Sewer Connection Fee and Title VIII-7.04 Treatment Plant Fee.

1. It is agreed that as of March \_\_\_\_, 2007, CONNECTOR's estimated average workday water usage and sewage discharge is 4550 gallons per day (gpd).
2. CONNECTOR represents that a water conservation program will be instituted and the average water usage will be 4550 gpd.
3. In consideration of and to encourage water conservation efforts, CITY agrees to assess the WATER & SEWER CONNECTION AND TREATMENT PLANT FEES based on 4550 gpd at this time.
4. CONNECTOR hereby waives any defense as to any cause of delay in achieving the target level of consumption.
5. CONNECTOR agrees that usage will be reevaluated on January 24, 2010; OR two years from the date of occupancy, whichever occurs later. If the average water usage between the execution of this agreement and the evaluation date is greater than the previously estimated usage of 4550 gpd, CONNECTOR shall pay additional Water, Sewer and Treatment Plant Fees owed based

on the new average usage within 30 days of CITY's written demand.

The base rates upon which the fees will be calculated in the event CONNECTOR must pay additional Water, Sewer and Treatment Plan Fees pursuant to this Section 5 shall be those rates effective as of the date of this agreement.

6. This Agreement shall extend to and be binding upon the successors and assigns of CONNECTOR and CITY, respectively.

**CITY OF MILPITAS:**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Greg Armendariz  
Public Works Director/City Engineer

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Steve Mattas  
City Attorney

**CONNECTOR:**

**Piercey North, Inc. dba Piercey Toyota**  
13600 Beach Blvd  
Westminster, CA 92683

By: \_\_\_\_\_  
Thomas A. Chadwell  
Title: Chief Financial Officer